NDOR Local Bridges Selection Policy Commentary Background of Policy and Summary of Selection Process June 4, 2012

NDOR has posted a second draft of a local bridges selection policy, and is soliciting public comment. The comment period is from June 4 – July 5, 2012. Send comments to:

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Commentary on the Local Bridges Selection Policy

Background of Policy: Currently, NDOR shares Federal Highway Bridge Program (HBP) funds with Nebraska's local public agencies (LPA). This amounts to approximately \$15 million spending authority annually, at current Federal funding levels and bridge conditions. It is important to recognize that, with approximately 12,000 locally owned bridge-size structures in Nebraska, this is small in comparison to the over \$1 billion of bridge replacement and rehabilitation needs among local agencies statewide. In 2011, local agencies signed agreements for NDOR to purchase some of the Federal HBP funds at a discount rate; state cash funds will be distributed according to those agreements starting in March, 2014. The local bridges selection policy will not change the total amount of funds being purchased. However, NDOR is proposing to distribute fewer funds than originally anticipated, and apply the balance toward replacement of major, or significant, local bridges (longer, larger, costlier bridges) on the Federal-aid system. These are bridges that will be relatively difficult for local agencies to fund. Under this policy, a local agency can replace a financially significant on-system bridge as it would any other locally developed project, without NDOR and FHWA oversight. Identification of the Federal-aid system can be located on the internet at http://www.nebraskatransportation.org/maps/ as "National Functional Classification" or "N" maps; on-system is classified as major collector or arterial roadways. The purchase agreements mentioned above do not include HBP funds that, by current Federal legislation, must be applied to bridges which are not on the Federal-aid system. NDOR is proposing to apply those Federal funds to major, or significant, local "off-system" bridges. The Federal-aid process is difficult for many local agencies to navigate, and are resource intensive. The intention of the policy is to ultimately result in fewer, larger Federal-aid local bridge projects in comparison to the current program of bridge projects. The policy is to provide an objective and quantifiable selection method for local bridge projects, while maintaining distribution of cash from the State's purchase of HBP funds. The method is to include a factor accounting for the ability of an LPA to pay for a major structure. A first draft of a local bridges selection policy was posted on NDOR's website in December, 2011 and public comments were solicited. Comments received and NDOR's responses are posted on this website. A second draft of the policy, based upon public comments received and further discussion, is now available. It is the intent of the NDOR to reply to public comments, finalize the policy, and start the first selection process in 2012.

<u>Selection Process Summary:</u> The core of the selection policy describes a two-step selection process: (1) qualification and (2) ranking. Qualification results in a manageable list of bridges, i.e. a short list. Ranking determines their priority order. In order to be considered, i.e. to make the short list, a bridge needs to meet all of the qualification criteria. There are seven qualification criteria which serve to "screen" to a reasonable number of financially significant bridges for final consideration. See page 4 of 6 of the draft policy. Although all criteria must be met, the criterion that is somewhat the focus of this policy is financial significance. The financial significance of a given bridge is based upon the projected amount of Highway Allocation Funds (HAF) the bridge owner receives. City and county projections for

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HAF distributions can be found at: http://www.transportation.nebraska.gov/city-county/#ccpr. Financial significance is defined, for the purposes of this policy, as the ratio of the proposed bridge cost relative to the projected annual highway allocation amount for the Local Public Agency. Once the short list is established, if an LPA believes that one of its bridges should be on the list it can choose at its own expense to do an engineering study or studies to establish updated length and/or width requirements. The short list will be re-established using those inputs. It will then be ranked using criteria that is separate and distinct than the criteria used for short listing. The most significant ranking criterion is user impact, defined as average daily traffic multiplied by detour length; NDOR will verify average daily traffic and detour lengths. The user impact is capped; above that cap, the bridge will receive no additional points toward ranking. Once the short list of bridges is ranked, NDOR will request application(s) from the bridge owners consistent with projected available funding. There will be more ranked bridges than funding available, so not all ranked bridges will be funded. For those LPAs who apply for the funds, the LPA and NDOR will sign and execute a project program agreement.

Acronyms and Terms

HAF = (Nebraska's) Highway Allocation Fund

HBP = (FHWA's) Highway Bridge Program

LPA = Local Public Agency

NDOR = Nebraska Department of Roads

On-system = on the Federal-aid system (major collector or arterial roadways)

Off-system = not on the Federal-aid system (minor collector or local roadways)